

Atlanta malls look to adapt

American malls are at a crossroads. Many are taking the path to revitalization.

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SPECIAL

Simon Property Group is launching a major overhaul of Phipps Plaza, a luxury mall in Buckhead. The redevelopment calls for a new hotel and a 13-story office building. Malls like Phipps are “gold,” said Eric Weatherholtz, senior managing director of JLL’s Atlanta retail division. “They have well-capitalized owners with long-term vision.”

[Joe Allen](#) likes to imagine a different image of Gwinnett Place Mall than the dying retail area he has dedicated years to revitalizing.

Allen sees the mall’s vacant stores and empty parking lots replaced with new housing and public gathering spaces. A transit station near the current Macy’s would be a short walk to townhomes and apartments. A trail network would be lined with people jogging and biking to parks. And, major companies would occupy office buildings bringing new high-paying jobs into the area.

For Gwinnett Place, the current reality is far different. Only 20 percent of the mall is occupied. “If that,” said Allen, executive director of the Gwinnett Place Community Improvement District.

Current owner Moonbeam Capital Partners just put the 39-acre retail heart of the project on the market. Gwinnett officials hope a new owner will be the spark for renewal.

“We have a saying here that ‘Hope is our strategy,’” Allen said. “We are tired of hoping.”

Gwinnett Place is one of dozens of regional malls across the country that have reached a crossroads. One route maintains the status quo, but at the risk of languishing. Today, more mall owners are choosing the other path — revitalization.

In Alpharetta, North Point Mall owner Brookfield Property Partners L.P. wants to remake the former Sears department store and mall entrance into 300 apartments and 24,000 square feet of retail and restaurant space.

Long term, the city of Alpharetta wants to link the North Point retail area to a new trail system it calls the Alpha Loop, potentially connecting the mall to the mixed-use town center Avalon and the new Alpharetta City Center.

[Kathi Cook](#), Alpharetta’s community development director, told Atlanta Business Chronicle earlier this year, “The mall is not the end, only the beginning.” Cook added, the city wants the entire North Point area to be a place “people want to live.”

Today, many mall owners have been forced to adapt in the era of Amazon.com Inc., which led to the rise of online shopping.

In Tucker, ATR Corinth Partners struck a deal with Emory Healthcare to bring 1,600 jobs to its Northlake Mall. The lease with Emory “signifies the start of re-imagining Northlake as ‘a dynamic mixed-use development,’” said [Frank Mihalopoulos](#), partner with ATR Corinth Partners, said.

In Buckhead, Simon Property Group this summer completed the demolition of the former Belk department store at Phipps Plaza. It makes way for a new Nobu hotel and restaurant, Life Time fitness facility and 13-story office building.

[Eric Weatherholtz](#), senior managing director of JLL’s Atlanta retail division, said of malls today, “All of them have a question mark over their department stores. ... People still like shopping in stores, but it’s about the environment that is created.”

Ryan Gravel, whose graduate thesis served as the foundation of the Atlanta Beltline, said the problem with malls is that they are everywhere. It makes it difficult for owners to create a unique place for consumers.

Gravel, who is working on a \$350 million redevelopment of The Mall West End in southwest Atlanta, said, “People want to live and spend their time somewhere that is different. It doesn’t have to be the most special place on the planet, but it should be connected to a sense of community.”

At Gwinnett Place, Allen sees a “ghost town.”

The mall’s only recent claim to fame was that it served as the filming location for Netflix series “Stranger Things.” Allen watched the show, a bittersweet reminder of what Gwinnett Place — and the American mall — once meant to people.

“It looked like the Gwinnett Place I remember in the 80s,” Allen said. “As a teenager, it’s where you went on Friday and Saturday nights to see everyone. It was the center of the universe.”

And, it could be again, Allen hopes.



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